

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

February 19, 2015

3:02 p.m.

MEMBERS PRESENT

Representative Paul Seaton, Chair
Representative Liz Vazquez, Vice Chair
Representative Neal Foster
Representative Louise Stutes
Representative David Talerico
Representative Geran Tarr
Representative Adam Wool

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

PRESENTATION: DIVISION OF BEHAVIORAL HEALTH

- HEARD

PRESENTATION: RECIDIVISM REDUCTION PLAN

- HEARD

PRESENTATION: KEY COALITION

- HEARD

PRESENTATION: UAF BACHELOR OF SOCIAL WORK STUDENTS

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

ALBERT WALL, Director
Central Office
Division of Behavioral Health
Department of Health and Social Services

Juneau, Alaska

POSITION STATEMENT: Presented a PowerPoint titled "Division Overview."

JEFF JESSEE, Chief Executive Officer
Alaska Mental Health Trust Authority
Department of Revenue
Anchorage, Alaska

POSITION STATEMENT: Presented a PowerPoint entitled, "2015 Recidivism Reduction Plan."

CARMEN GUTIEREZ
Justice Improvement Solutions
Anchorage, Alaska

POSITION STATEMENT: Presented a PowerPoint entitled, "2015 Recidivism Reduction Plan."

EMILY ENNIS, Executive Director
Fairbanks Resource Agency
Key Coalition of Alaska
Fairbanks, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

JIM BECK
Key Coalition of Alaska
Access Alaska
Palmer, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

MILLIE RYAN, Executive Director
REACH, Inc.
Key Coalition of Alaska
Juneau, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

RICK FASSEL
Key Coalition of Alaska
Juneau, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

DENNIS HAAS
Key Coalition of Alaska
Soldotna, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

NED MAGEN
Key Coalition of Alaska
Soldotna, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

CHARLISSA MAGEN
Key Coalition of Alaska
Soldotna, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

MIKE BAILEY
Key Coalition of Alaska
Anchorage, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

GLENN SHEEHAN
Key Coalition of Alaska
Barrow, Alaska

POSITION STATEMENT: Spoke during the presentation by the Key Coalition.

DIANE CASTO, Prevention & Early Intervention Manager
Prevention & Early Intervention Section
Division of Behavioral Health
Department of Health and Social Services
Juneau, Alaska

POSITION STATEMENT: Testified during the presentation about the UAF Bachelor of Social Work program.

HEIDI BROCIIOUS, Clinical Associate Professor
Department of Social Work
University of Alaska Fairbanks
Fairbanks, Alaska

POSITION STATEMENT: Testified during the presentation about the UAF Bachelor of Social Work program.

ACTION NARRATIVE

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CHAIR PAUL SEATON called the House Health and Social Services Standing Committee meeting to order at 3:02 p.m. Representatives Seaton, Wool, Talerico, and Stutes were present at the call to order. Representatives Tarr, Vazquez, and Foster arrived as the meeting was in progress.

PRESENTATION: Division of Behavioral Health

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CHAIR SEATON announced that the first order of business would be a presentation by the Division of Behavioral Health.

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ALBERT WALL, Director, Central Office, Division of Behavioral Health, Department of Health and Social Services, introduced slide 2, "Behavioral Health Overview," and stated that the mission of the division was to "manage an integrated and comprehensive behavioral health system based on sound policy, effective practices and partnerships." He stated that the division was responsible for the behavioral health continuum of care in Alaska, which included prevention through acute treatment. He noted that the division had partnerships with the agencies which were grantees that provided services, and with tribal entities and the business community which also provided services. He reported that the division had 348 full time positions and 26 part time positions, and had a budget of \$141.9 million in Fiscal Year (FY) 2015. He pointed out that this budget did not include treatment through Medicaid expenditures. This budget was about 5.2 percent of the total Department of Health and Social Services management plan, and the division served 32,854 people.

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MR. WALL moved on to slide 3, "Organization Chart," which tied everything to the central purpose of the division, and included the Statewide Suicide Prevention Council, the Alaska Mental Health Board and the Advisory Board on Alcohol & Drug Abuse. He shared that, although he was responsible for tracking the budget for these three bodies, they were each independent. He spoke about the Alaska Psychiatric Institute (API), which was "a 24/7 80 bed facility, that is for acute in-patient care for psychiatric needs in the state." He stated that API was the only in-patient psychiatric facility for acute care that accepted all ages. He noted that the bulk of the division

personnel were located at API, and included medical doctors, psychiatrists, licensed nurses, and psychologists. He pointed out that, as API was also a certified teaching hospital, University of Alaska Anchorage (UAA) nursing students were able to rotate through API and receive training. He moved on to the Prevention and Early Intervention Section, which had 35 full time staff, and included program and grant managers, as well as the therapeutic courts program. He discussed the Policy and Planning Section, which handled the database system that all the providers used to enter information to measure and evaluate the effectiveness of the grant recipients. He jumped to the Administrative Support Team, declaring them to be "indispensable" and he declared his pride for the amazing work from this team. He addressed the Treatment and Recovery Section, which was the primary section for handling grants. He relayed that there were only 18 full time staff to handle more than 100 grants. He described the Medicaid & Quality Section, which handled the Medicaid claims, approvals and pre-authorizations.

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MR. WALL turned to slide 4, "Division Core Service Alignment," and shared that the division had identified those five core services which were different than those of the divisions in the department and how those fed into the department's priorities. He shared that some were specific, citing the core service for API, "to provide accessible, quality, active in-patient treatment in a safe and comfortable setting;" whereas others were very broad, "identifying population and geography needs and developing a statewide plan."

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MR. WALL directed attention to slide 5, "Continuum of Care," which ranged from left to right on the chart based on the acuity or intensity of need. He stated that on the far left were the prevention services, generally lower cost with a tremendous statewide impact. He referenced an earlier presentation for surveys on risk behaviors among youth associated with future problems, and noted that all the risk numbers had fallen since 2007. He suggested that this decrease correlated with the prevention efforts by the division. He reported that the numbers associated with prevention were number of contacts with prevention messages, and not for individuals served. He explained that the domestic violence prevention services were community based in grant based services. He spoke about the

alcohol safety action program, which was associated with the therapeutic courts. He described the actions of the division to "either provide for or we perform behavioral health on behalf of Alaskans." He stated that some services simply provided the means through a grant to a provider, and other services were provided by the division. Referencing the organizational chart on slide 3, he pointed out that prevention and early intervention had 35 staff, with the bulk of them in the alcohol safety action program, in direct association with the courts. He stated that this program held people accountable in treatment while going through the program. He pointed to the far right of the continuum, and shared that API was also a direct service. He declared that the division provided the funding for most of its programs to other agencies to be performed on behalf of the division. He moved on to the community behavioral health center clinics, psychologists, and the Behavioral Rehab Services with residential care for children and youth. He said that these were primarily paid for by a combination of Medicaid claims and grants, although some had private and third party payees. He stated that the bulk of work by the division was in this area of the community behavioral health center, with counseling and day-to-day interaction with clients. He said that these services ranged from immediate crisis intervention to long term treatment. He said that some of these services were provided specifically to children in a clinic. He spoke about the behavioral rehab services, residential care for children in-need, which offered ongoing care in facilities with a wide range to the level of care needed by each individual child. He reported that needs being met in the community, around the family, had a lower cost and were statistically proven to be more effective. He moved to the right on the continuum to the inpatient and hospital based care, and spoke about designated evaluation, treatment, and stabilization. He stated that this was a grant service, where a person with a psychiatric crisis with an immediate need was taken to a designated evaluation treatment center, for determination whether they needed to stay in the hospital or could be treated at a different level of care. He noted that this was a high cost area. He moved on to the acute psychiatric care at API, and stated that lengths of stay and levels of acuity varied greatly. He pointed out that 10 of the 80 beds were specifically designated for children, 10 beds were designated for criminal patients, and another 10 beds were designated for elderly or dementia patients. He pointed out that the state only had one acute care psychiatric facility, API, which accepted all ages, and he described it as the anchor to the system. He referenced North Star Behavioral Health, which cared for children with acute needs, and noted that there

were also occasional instances where the needs had to be met out of state. At the far right of the continuum were the long term residential psychiatric treatment centers for children with tremendous needs, usually very complex.

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MR. WALL addressed slide 6, "DBH Service Population," and directed focus to the age groups primarily served, mainly adults aged 18 - 64.

MR. WALL presented slide 7, "Collaboration," declaring that it was a huge collaborative effort in behavioral health for groups to triangulate on individuals and bring the necessary services to effect change. He declared that he was impressed with the relationships built with the care providers. He listed many of the organizations, including the boards and associations which assisted their partner agencies. He offered his belief that collaboration was growing. He referenced the upcoming presentation on recidivism as a collaborative effort across departments, agencies, and non-state agencies.

MR. WALL referenced slide 8, "Recent Successes," which reflected collaborative efforts that triaged immediate need for people who could be stabilized today. He mentioned Parenting with Love & Limits (PLL) and Opioid Treatment (OTP). He stated that behavioral health paid attention to outcome measures and the data driven specifics of what treatment did for the person and for society, as well as for the cost, as it was important to be good stewards of the money. He called this outcome based treatment. He explained the Change Agent Conference, which was the opportunity for all the providers to discuss things the grantees needed to know. He shared an in-depth discussion at the latest conference for outcome measures at the grantee level. He shared the importance for all the agencies to understand the value and the impact of outcome based service. He moved on to slide 9, "Recent Successes," and spoke about the Alaska Tobacco Retailer Violation Rate (RVR) reported over time. He noted that since 2004 the violations had stayed below the threshold target.

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MR. WALL referenced slide 10, "DBH Current Challenges," and addressed Designated Evaluation and Treatment, which was growing rapidly and was paid out of the general fund. He shared that there were three designated centers, including API, with the other two in Fairbanks and Juneau. He stated that Anchorage

also had a designated point of entry at Providence Alaska Medical Center with services somewhat similar to the designated evaluation and treatment centers. He reported that all travel and treatment was paid out of the general fund. He pointed out that API ran at 95 - 100 percent utilization, and that this wear and tear on the staff needed to be addressed. He spoke about individuals with dual diagnosis, and that often these occurred at both ends of the age line. He stated that these complex problems created gaps in the state service system that needed to be addressed.

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REPRESENTATIVE VAZQUEZ asked about the average patient stay at API.

MR. WALL offered to provide an overall breakdown on paper as there were average stays for each of the different units.

REPRESENTATIVE WOOL asked for clarification that the total Division of Behavioral Health budget of \$142 million was 5 percent of the department budget.

MR. WALL explained that this was 5 percent of the operating budget.

CHAIR SEATON pointed out that the Department of Health and Social Services had the largest budget in the state.

MR. WALL shared that the difference was whether the Medicaid budget was included, and that the 5.2 percent provided service for about 33,000 people.

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REPRESENTATIVE VAZQUEZ asked if the \$142 million included Medicaid payments received by Division of Behavioral Health.

MR. WALL directed attention to slide 5, which charted the cost of Medicaid versus the operating budget. He shared that the overall direct service cost in grants was \$124.5 million and the overall direct service in Medicaid payments was \$166.6 million. He stated that Medicaid was not included in the \$141 million cost referenced by Representative Vazquez. He said that Medicaid had a particular structure in the accounting system, and was not included in the Division of Behavioral Health

budget, although the division did track it and had oversight for its regulatory authority.

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MR. WALL, in response to Representative Wool, relayed that the 24/7 sobriety program was a monitoring program and not treatment, although it was related to the cross department efforts to reduce recidivism. He stated that accountability was key to treatment for substance abuse.

REPRESENTATIVE WOOL asked if his division was responsible for tracking tobacco enforcement.

MR. WALL clarified that this tracking was for the illegal sale of tobacco to minors.

REPRESENTATIVE WOOL asked about tobacco use in the continuum of care.

CHAIR SEATON asked to defer question this to later.

[3:38:00 PM](#)

CHAIR SEATON asked if it was possible to expand tele-medicine behavioral health care.

MR. WALL said that this was an area of success and that it was used substantially. He noted that API had a tele-behavioral health hub, which provided consultation among many partners statewide. He noted that the evaluation for commitment into care had to be made in-person, although any follow-up and on-going care could be done through tele-medicine.

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CHAIR SEATON relayed that prevention and intervention before a crisis situation were goals and keys for the committee.

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REPRESENTATIVE STUTES asked what type of patient assessments the division made, and whether these assessments were shared with other agencies in the department.

MR. WALL replied that there were numerous different types of assessments in the field of psychology, including assessments

for substance abuse or diagnosis for psychological crisis. He explained that assessment, in this presentation, was in "the broadest sense possible." He pointed out that designated evaluation in terms of a program was very specific for an individual in crisis, who was often not functioning in society and was a danger to themselves or others. He explained that the sharing of information was covered under Health Insurance Portability and Accountability Act (HIPAA) rules.

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REPRESENTATIVE TARR referenced the challenges to dual diagnosis, and asked if the division was tracking the rates for issues and the corresponding behavioral interventions, to get a sense of the trends in Alaska.

MR. WALL said that autism spectrum disorders were very specific, and could fall between divisions, as it was a disability, as well. He explained that the complex behavioral health collaborative was funded by the legislature, and its primary function was to track these issues and outcomes, as well as to assist in the placement of individuals at the proper level of care. He shared that placement was more difficult for the most acute levels of need, as there was not enough of this care.

PRESENTATION: Recidivism Reduction Plan

[3:45:15 PM](#)

CHAIR SEATON announced that the next order of business would be a report on recidivism reduction.

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JEFF JESSEE, Chief Executive Officer, Alaska Mental Health Trust Authority, Department of Revenue, explained that there had been legislative intent language placed in the state budget last year to begin a review of the increase to prison populations in Alaska, and the sustainability of this current path or the need for other alternatives. He declared that this was an issue where both sides of the political spectrum had come together with a desire for the same outcome, even though they had different perspectives and priorities. He shared the desire for people to come out of corrections and be successful in the community without a life of crime. He referenced slide 2, a quote from Grover Norquist, "We want to reduce crimes as rapidly and as seriously as possible." He pointed out that this

reduction, conducted in the wrong way, would harm families, communities, and neighborhoods and would spend money that was no longer available.

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MR. JESSEE moved on to slide 3, "HB 266 Legislative Intent Language," and stated that the intent was to collaboratively reduce recidivism by gathering data on substance abuse, mental health, employment, housing, and other services currently provided, propose some effectiveness and efficiency measures, and then develop a plan "to work our way out of this." He offered his belief that the "big jump to light speed" was recognition by the state legislature that the agencies most recognized and expected, the Department of Corrections, the Alaska Court System, Department of Law, and Department of Public Safety were not going to get the job done. He acknowledged that, although the Department of Corrections had an important role, after release there were three things necessary for successful reentry: housing, employment, and support for recovery. He stated that it was necessary to include Alaska Housing Finance Corporation, Department of Labor & Workforce Development, and Department of Health and Social Services, specifically the Division of Behavioral Health. He noted that these agencies had already been working with the Alaska Mental Health Trust Authority with some good results. He stated that it was not yet possible to match the prison population with the need for beds.

CARMEN GUTIEREZ, Justice Improvement Solutions, directed attention to slide 4, and questioned why it was necessary to care about recidivism and prison inmates. She said that the simple matter was that "every offender who comes out of prison and is successful means one less victim in our communities. It additionally means we have parents who are supporting their children, it means we have citizens who are working in our communities and we have in total much more healthy communities." She opined that it was necessary to care about improving the state's high recidivism rate. She reported that the fiscally conservative world also supported a movement for ways to deal with criminal justice. She declared that the criminal justice system in Alaska was not sustainable. She pointed out that the State of Alaska had spent \$250 million to build a prison, with an additional \$50 million to house 1500 inmates added annually to the Department of Corrections (DOC) budget. She emphasized that there "is nothing fluffy about any of the prisons in the State of Alaska." She pointed out that Goose Creek Correctional

Center was geared toward providing individuals with some rehabilitative needs. She pointed out that, even with this new prison, DOC was now operating at 101 percent of its general capacity with a projected annual growth of 3 percent. She reported that Alaska had the third fastest growing prison population in the United States which would lead to overcrowding. This brought Alaska to a crossroads decision, whether to build a new prison, incarcerate out of state, or utilize evidence based strategies that other states had developed that were working to reduce crime, slow recidivism, and level off the growth rate for prison populations, which had exceeded the growth rate of the state population. She reported that there were decreases in both violent and non-violent crime in the state. She reiterated that, as many other states had experienced budget deficits similar to Alaska, there was recognition for the lack of sustainability to corrections budgets.

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MS. GUTIEREZ directed attention to slide 5, "Former Inmates Are Our Neighbors," and stated that Alaska currently incarcerated more than 6300 people, which included 1000 people on electronic monitoring and in halfway houses. She stated that, as 95 percent of the inmate population was eventually released, there were currently 377 convicted felons released into communities every month. She reported that the recidivism rate was starting to drop, down to 63 percent in 2011, and opined that public safety required a continued reduction to this high rate.

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MS. GUTIEREZ presented slide 6, "Have Alaskans Been Receiving Good Value For The Criminal Justice Dollars Spent?" She noted that two of three former offenders returned to prison within the first three years of release, the majority within six months. She declared that more than 1600 statutes and regulations provided barriers as a result of criminal convictions, with 746 of these directly related to employment. She shared that it cost \$158 per day per inmate to incarcerate, more than it cost to go to Harvard. She reported that, in 2009, DOC began to reinstate some of its reformatory programs, which had been eliminated during a prior administration, and she offered her belief that this had contributed to the drop in recidivism.

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MS. GUTIEREZ shared slide 7, "Alaska Is At A Crossroads," and stated that Alaska could either build a new prison, recommit to sending inmates out of state, or follow the lead of 32 other states and invest in cost effective strategies to reduce crime and reduce the rate of prison growth, slide 8, "Do We Wish To Spend \$300 Million To Build A New Prison?" She reported that there was technical assistance to states for help in addressing these issues. She addressed slide 9, "Invite the Pew Public Safety Performance Project to Alaska," and said that they could identify and better understand the factors driving growth in the state prison population. She said that the Pew approach was to identify fiscally sound, public safety minded policies that held offenders accountable and controlled prison costs, while helping states get a better return on the expenditure of public safety dollars. She emphasized that this technical assistance was free to the state. She reported that Pew would work with DOL, DOC, and DPS using data analysis from similar programs in other states to identify strategies for each of the factors driving the prison population growth and to build a recommended plan, slide 10, "Pew Would Guide Alaska In A Justice Reinvestment Process."

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MS. GUTIEREZ said that many conservative states had had very positive experiences with this Pew project. She moved on to slide 13, "Known Factors Driving Alaska's Prison Growth." She listed these to include: "Increased number of pretrial & unsentenced inmates," slide 14, showing that almost 40 percent of the prison population were people arrested but not yet convicted and noting that there were 18 bail factors for judges to consider; "Increased percent of non-violent offenders," slide 15, which depicted that 64 percent of the prison population were nonviolent offenders and questioned whether there were alternatives to the incarceration expense of \$158 per day per inmate for nonviolent offenders; and, "Public opinion on jailing nonviolent offenders in expensive prison beds," slide 16, which shared that two national public firms hired to talk with Americans about the over incarceration of non-violent offenders found that the majority of the public felt that reformation trumped incarceration for this group, that prisons should be used for violent offenders, and that too many people were being incarcerated today, slides 17, 18, and 19.

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MS. GUTIEREZ reported that 10 percent of the population was serving 37 months or more in 2002, whereas almost 25 percent were serving that same amount of time in 2014, slide 20, "Increased Average Length Of Stay." She said that another factor for the increase to prison population was that the number of petitions to revoke probation, mainly for technical violations, had almost doubled between 2003 and 2013, slide 21, "Increased Probation Violations." She reported that only 28 percent of these petitions were because of the alleged commission of a new crime.

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MS. GUTIEREZ spoke about slide 22, "What we know about Alaskans who recidivate," and reported that people convicted of misdemeanors and Class B felony offenses, the least serious of the felony offenses, as well as youthful, male offenders, recidivated at a higher rate. She described "The Texas Experience," slide 23, and its decision to find a better use of public dollars than for building another prison. She noted that Texas, in 2007, was the first state to move in this direction because projections for a shortfall of 17,000 prison beds had been accompanied by an estimated construction cost of \$900,000,000 for only 4,000 beds. The submitted plan was for identification of the necessary reformatory programs to address the factors leading to criminal behavior, and then invest a portion of this projected bed cost in evidence based strategies which had proven to reduce recidivism.

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MS. GUTIEREZ reported that investments had been made in drug courts, intermediate sanction facilities for probationers who violate probation, residential treatment programs for probationers having difficulty staying clean and sober, and in-prison residential treatment programs, slide 24, "Evidence based investment strategy." She stated that Texas increased the community-based substance abuse treatment, passed legislation which provided incentives to encourage probation compliance, and implemented swift, certain, and proportionate sanctions for certain probation violations, slide 25, "Evidence based strategies for probationers." She reported that these swift, certain sanctions already existed in the Probationer Accountability with Certain Enforcement (PACE) program in Alaska. If someone violated a condition of probation, they were immediately arrested, brought to court within 72 hours, and given a sanction that day in court. She declared that, as the

sanctions were proportionate, the PACE program had proven very effective in Alaska.

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MS. GUTIEREZ reported that in Texas, as of 2014, recidivism rates had dropped by 25 percent, the crime rate had dropped 18 percent to its lowest point since 1968, imprisonment had dropped by 10 percent, and prisons had been closed with a savings of nearly \$3 billion in prison costs, slide 26, "Texas Results." She shared slide 27, "South Dakota," which depicted a state with a smaller prison population, primarily composed of non-violent offenders with a high rate of probation revocations. She declared that this pattern and practice were not sustainable, and that South Dakota had decided to invest \$53 million in alternative strategies to reduce recidivism, instead of investing \$207 million on two new prisons. She quoted a comment by South Dakota Senator Craig Tieszen, slide 30:

We have been putting a lot of people in prison ... but we have now recognized that we haven't changed behaviors of those prisoners. Most of them get out of prison eventually and a very high proportion goes back, because the main change that took place in prison is that they became better criminals.

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MS. GUTIEREZ directed attention to slide 32, "Reformative Programs in Alaska," stating that the Alaska Department of Corrections had no reformative programs in 2007, with the exception of one federally funded alcohol and substance abuse treatment program. She reported that the legislature offered its support in 2009 with the re-implementation of substance abuse treatment, education and vocational programs, and cognitive behavioral treatment. She noted that only 2.9 percent of the DOC budget goes to reformative programming, with the largest share of its budget spent on personnel services. She presented slide 33, "Outcome from Investment: Recidivism Reduction," which reflected the drop of recidivism from 66 percent in 2007 to 63 percent in FY 201. She declared that this was finally a move in the right direction. She referenced the recent Legislative Audit Division audit of the DOC in December, 2014, which found that DOC was running fine quality programs that were serving the inmates, slide 34, "ADOC Runs Quality Programs."

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MS. GUTIEREZ pointed to slide 35, "Washington State Institute of Public Policy Finds," and shared that the institute was the premier nationwide cost benefit analysis entity and had done extensive research on substance abuse treatment programs and the benefit of educational and vocational programs in a custodial setting. Their findings of the cost benefit analysis was 100 percent that the benefits would exceed the cost. She stated that the DOC was working hard to ensure that any inmate sentenced to 30 days or more would be released from the institution with a re-entry plan, the Alaska Prisoner Reentry Framework, designed to help the inmate address their needs that lead to criminal behavior, slide 36 "Alaska Department of Corrections." She stated that Department of Health and Social Services had been a "huge collaborator in this effort to reduce recidivism," slide 37, "Division of Health & Social Services," and she mentioned the Sobriety 24/7 program as a nationally recognized strategy for holding offenders accountable. She declared that this was helpful to offenders, as it kept "them on the straight and narrow, and in early sobriety that can be very helpful." She noted that Alaska had an outstanding therapeutic courts program, as well as good community based treatment programs. She explained that there was more demand for these treatment programs than there were resources.

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MS. GUTIEREZ declared that the Alaska Housing Finance Corporation (AHFC) had been a great partner in the effort to reduce recidivism, and information for their work was included in the Recidivism Reduction Plan [Included in members' packets], slide 38, "Alaska Housing Finance Corp." She relayed that AHFC had created housing assistance vouchers which were less than the cost of prison housing. She stated that the recidivism rate for those receiving this financial support was 33 percent compared to the overall 63 percent for the general population. She directed attention to slide 39, "Labor & Workforce Development Collaborations," and mentioned that there had been a collaborative effort between DOC and Department of Labor & Workforce Development (DOLWD), and that DOLWD had instituted the WorkKeys certificate reflecting levels of capacity for the basics of many jobs, which many employers now required. She pointed out an interesting collaboration with fish processing plants to hire inmates. She reported that the Alaska Job Centers now had individuals specially trained to work with the prison population.

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MR. JESSEE introduced slide 41, "What we are doing that works," and referenced the DOC efforts to develop reformative programs, as well as work by the Criminal Justice Commission for issues around sentencing and barrier crimes. He stated that the reentry centers were "incredibly successful," that they pulled together the housing, employment, and support for recovery services and then customized these for each individual inmate upon release from incarceration. He pointed out that the agency had been funded from capital appropriations for the past 18 months. He reported that Department of Health and Social Services and the Division of Behavioral Services were working to adjust budgets in order to maintain operation of the reentry center. He emphasized that DOC had already been working with AHFC and DOLWD on these programs. He moved on to slide 42, "Next Steps With Fiscal Component," and emphasized that funding for the current reformative programs had to be maintained or the recidivism rate would "start to creep back up." He stated that it was necessary to maintain support for the DOC reentry program, and he suggested that a new position for reentry coordinator be created. He suggested the expansion for community based substance abuse treatment, and he extolled Medicaid expansion as being particularly helpful for single males between 18 - 64 years of age coming out of corrections with no income, a program being paid for primarily by the federal government.

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MR. JESSEE addressed slide 43, "Next Steps With No Fiscal Component," and shared that the Criminal Justice Commission was still working on bail conditions, deferred sentencing, limited licenses, and a study on barrier crimes. He suggested that the legislature enact legislation to provide good time credits as a reward for good behavior and to motivate probationers complying with their conditions. He allowed that that the quick, certain consequences were now being addressed, and that a positive reward would be helpful. He noted that this would also be a positive step for people on electronic monitoring.

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MR. JESSEE pointed to slide 44, "Plan Implementation," reporting that the groups had reviewed past programs and had developed a future plan. He emphasized that the Alaska State Legislature

now had the responsibility to set a goal for matching the number of people in prison to the number of prison beds currently available, or to choose alternatives. He offered as an alternative, an implementation plan with a timeline, strategies, costs, savings, and results. The legislature could then choose whether to place these increments in the budget.

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REPRESENTATIVE TARR asked whether the public defender agency was part of these conversations.

MS. GUTIEREZ explained that the public defender was an involved member of the Alaska Criminal Justice Commission. She stated that, as 40 percent of the prison population were pre-trial inmates and the vast majority were represented by public defenders, any cuts to the budget of the public defender agency would have a ripple effect across the entire criminal justice system which would include longer time in prison.

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CHAIR SEATON asked if bail conditions had to come through the public defender's office. He noted that bail set on an individual's Own Recognizance (OR) was working effectively, and asked if the legislature should become involved with speeding up the process, as many people were waiting in jail because they were not financially able to post bail.

MS. GUTIEREZ explained that, as this issue was a dramatic change from 2002, the Alaska Criminal Justice System was reviewing it. She explained that, although the bail statute says presumption for release, there were now 18 conditions added to the bail statute, which made it more difficult to get out of incarceration pending trial. She offered her belief that some lawmakers were also reviewing the bill statute for the conditions of bail, and that "primarily the fix is legislative."

CHAIR SEATON asked if there was any model legislation enacted by other states that had been effective for reduction.

MS. GUTIEREZ offered her belief that there was model legislation, and she would report back to the committee.

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REPRESENTATIVE WOOL asked whether mandatory sentencing was one of the aforementioned barriers.

MS. GUTIEREZ explained that, although crime was decreasing, there were now longer sentences. She expressed her agreement with mandatory sentencing for egregious crimes in Alaska. She questioned the presumptive sentencing and offered an example for a woman convicted of first time cocaine possession with a six month sentence. The next time, same crime, as there was presumptive sentencing, the minimum mandatory sentence was at least two years. She questioned whether this was an effective use of a \$158 per day bed. She opined that presumptive sentencing was one of the reasons for an increase to the length of stay.

[4:34:03 PM](#)

MR. JESSEE suggested that a comparison of days to dollars offered a different perspective, pointing out that a five year minimum sentence cost almost \$300,000. He asked if "we're gonna spend \$300,000 on this person, are we so mad at him that we're willin' to spend \$300,000 to be mad at him for five years." He asked what would be different when this person was released.

[4:35:10 PM](#)

CHAIR SEATON suggested that Vitamin D should be offered in prisons, as there was not any sunshine exposure or any dietary supplement. He asked if there were any underlying medical conditions that the state could help alleviate so "people can better control themselves." He pointed to the myriad of studies which showed that low levels of Vitamin D were causal to depression and anxiety. He stated that addressing this underlying medical deficiency would move forward to lower the recidivism rate.

[4:36:55 PM](#)

REPRESENTATIVE VAZQUEZ asked if all the requests from House Bill 266 had been addressed.

MR. JESSEE said absolutely, that performance measures and strategies had been identified.

REPRESENTATIVE VAZQUEZ asked if the call to action legislatively mandated these.

MR. JESSEE recommended that the House Finance Committee should have some ownership of the next step, and consider legislative intent requesting a detailed implementation plan which included dollars, timeframes, data, and outcomes.

[4:38:03 PM](#)

REPRESENTATIVE VAZQUEZ asked if legislation was going to be submitted to implement this call to action.

MR. JESSEE stated that his plan was to meet with Representative Neuman to discuss legislative intent language.

PRESENTATION: Key Coalition

[4:38:38 PM](#)

CHAIR SEATON announced that the final order of business would be a presentation by the Key Coalition.

[4:39:12 PM](#)

EMILY ENNIS, Executive Director, Fairbanks Resource Agency, Key Coalition of Alaska, shared that this was the 28th Key Campaign whereby the Key Coalition came to the capital to speak about the issues facing individuals, and their families, with developmental disabilities. She reported that more than 150 members were attending so they could share the importance of services to themselves and their families. She noted that there was a responsibility to speak for Alaskans with disabilities who were not able to speak for themselves. She said that intellectual and developmental disabilities was a condition that occurred before the age of 22, had significant impact on the areas of major life function, and required lifelong support. She pointed out that this did not mean that individuals could not have a full, productive, quality life. She stated that robust support systems were necessary and the Key Coalition would present its suggestions for major priorities. She declared that the first suggestion was for cost savings in the service system, and she added that all of these services provided long term cost savings.

[4:42:25 PM](#)

JIM BECK, Key Coalition of Alaska, Access Alaska, offered his recommendation to the legislature, the use of Medicaid funds for the reuse of durable medical equipment, which he stated was

already happening in other states. He noted that the State of Alaska currently prohibited use of Medicaid dollars for the purchase of used equipment, much of which was designed to last for years. He stated that the federal government did allow this. He reported that Kansas had shown a return of \$3.15 for every \$1 invested in the durable medical equipment re-use program, and that recipient satisfaction for this program was very high. In the first year of service in Oklahoma, 74 devices were reassigned, which represented a costs savings of \$31,692. In Alaska, Access Alaska loaned 2064 pieces of durable medical equipment in 2014 in Anchorage, which represented a savings to Medicare, Medicaid and private insurance of \$461,685. He shared that Access Alaska had sanitization programs, and, as it was a mature industry, it would be "into play in Alaska very quickly and, I think, recognize great savings and high satisfaction."

[4:45:09 PM](#)

MILLIE RYAN, Executive Director, REACH, Inc., Key Coalition of Alaska, referenced House Bill 211, the employment first bill, and said that she was working with the state for implementation. This offered a number of opportunities to lower Medicaid costs and replace state funded services that people would otherwise need if they were not working. She said that a number of states had Medicaid buy-in programs for working people with disabilities, and she described the successes in Utah and Kansas. She pointed out that up to one in five no longer received benefits as they were now earning enough to no longer be eligible. She shared that the State of Washington had its costs decrease in the food stamp program, and that the working disabled Medicaid buy-in in Alaska had resulted in a \$12.4 million contribution to the state economy. She reported that there were 350 - 370 persons participating in the Alaska buy-in program and that policies which increased this number would recognize a decrease in health costs, food stamps, and adult public assistance. She pointed to supported employment, a program funded through the Medicaid home and community based waivers. She referenced a research study on the economics of supported employment by Robert Somora identifying three recommendations which could reduce Medicaid funded supported employment costs by 32 - 60 percent and allow service to an additional 126 - 232 people without any additional state money. She pointed out that these people would also be contributing to the economy and paying federal taxes, thereby reducing their dependence on other public benefits.

RICK FASSEL, Key Coalition of Alaska, said that he would like to see other people have the opportunity for jobs.

CHAIR SEATON asked that the suggestions and recommendations be presented in writing.

[4:49:27 PM](#)

DENNIS HAAS, Key Coalition of Alaska, stated that the wait list had always been a top priority. He reported that the list of people qualifying for services but not receiving them because of a lack of funding was more than 696 people. He asked for the state to continue its commitment to remove 200 people from the list each year. He declared that these programs saved lives, sharing that, if not for the program, his daughter would be dead. He emphasized that parents could not do it without help.

[4:51:24 PM](#)

NED MAGEN, Key Coalition of Alaska, offered a success story for the wait list, and shared that his 28 year old son, Daryl, had developmental disabilities and had been on the wait list for many years. He noted that, as both he and his wife worked, they were not able to spend every minute with their son. However, once Daryl was taken off the wait list, he had staff support to go swimming and to the gym, he lost 50 pounds, and he became a Special Olympics champion swimmer. Currently, he had two different jobs with a job coach, lived in an apartment, and his self-esteem and his self-confidence had grown. He lauded the services that Daryl had received and directed much of the credit toward those services.

CHARLISSA MAGEN, Key Coalition of Alaska, echoed her husband, Ned, and reported that their son had received 15 years of services, which had made him "an active and vital part of our community in Soldotna and Kenai." She shared that she and her husband were known as "Daryl's parents, not as individuals." She spoke about her son's work and his volunteering, and she expressed her hope that the State of Alaska would maintain its commitment to annually select people still on the wait list.

[4:53:35 PM](#)

MIKE BAILEY, Key Coalition of Alaska, stated that he was the CEO of a provider agency, and he addressed the integrity of the Medicaid system, declaring his support for Medicaid expansion and that the savings this would realize would allow for funding

to the wait list without any increase to budget expectations. He acknowledged the failure of the upgrades to the Medicaid payment system and the eligibility system. Although each of these were supposed to create efficiencies, this had not occurred, and the additional administrative burden detracted from the services provided. He pointed out that some payments were 18 months past due, which put a lot of strain on the providers. He stated that he was still committed to working toward these efficiencies. He expressed his appreciation to the minimal cuts to the Department of Health and Social Services budget, and he recognized the wisdom to not cutting any Medicaid services with a federal match component. He pointed out that the rates for Medicaid payments were based on four years of rate freeze, with some minimal inflationary adjustments. He said that he was working with the Office of Rate Review to arrive at a sustainable rates rebasement methodology. He reported that the Key Coalition was advocating that providers continue to work with this, as the goal was sustainability. He asked that the unfunded mandates on providers also be recognized, which included minimum wage increases and increased administrative overhead. He stated that the Key Coalition was asking for the providers to continue to work with the Office of Rate Review to create a sustainable system. He cautioned that there could be some compromise necessary. He asked that new legislation be better assessed for its impact on Medicaid rates.

CHAIR SEATON asked that the providers speak to the legislature about these impacts.

[4:58:24 PM](#)

GLENN SHEEHAN, Key Coalition of Alaska, spoke for his daughter who had cerebral palsy and severe anxiety, which inhibited her ability to speak publicly. He addressed a potential change in state regulations that could "save money and help people." He said that, although tele-practice was currently in use, the state did not encourage it for people on waivers. He stated that the logistics for providing health to people on waivers could be improved greatly, as there was a huge amount of professional time spent in travel. He offered some examples for ways that tele-practice could save money.

CHAIR SEATON acknowledged that the committee did have this "on our radar screen." He asked that Mr. Sheehan send his comments regarding an upcoming proposed bill on this subject.

PRESENTATION: UAF Bachelor of Social Work Students

5:00:14 PM

CHAIR SEATON announced that the final order of business would be a presentation by the students in the UAF Bachelor of Social Work program.

DIANE CASTO, Prevention & Early Intervention Manager, Prevention & Early Intervention Section, Division of Behavioral Health, Department of Health and Social Services, thanked the committee for its push toward prevention. She shared that this partnership between the Division of Behavioral Health and the University of Alaska had started 10 years prior for bringing students out into the community and to learn about "macro social work, which is everything you guys have been talking about today, the policies, the laws, how all of this works." She noted that 25 students were in the audience, with half of them campus based in Fairbanks, while the other half were enrolled in distance programs.

HEIDI BROCIOS, Clinical Associate Professor, Department of Social Work, University of Alaska Fairbanks, reported that the distance programs allowed students to pursue their education while staying in their home communities. She shared details of the handout on the partnership, reporting that students entered certificate or associate Social Work distance programs [Included in members' packets]. She offered her belief that students staying in their home communities fit the prevention aspect, as educated providers remaining in their home community allowed for less "shipping out." She directed attention to the graduate data from the Department of Labor & Workforce Development which listed the number of social worker graduates employed in the field of social work [Included in members' packets]. She emphasized that these programs were creating educated employees working in the state.

MS. CASTO said that they were preparing a full report with this data and that they would forward it to the committee.

5:04:58 PM

REPRESENTATIVE TARR shared that there was work currently being done on prevention legislation, which included Erin's Law, the child sexual abuse prevention legislation.

MS. CASTO said that the students would get copies of the recidivism report and information on Erin's Law.

5:05:39 PM

ADJOURNMENT

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 5:05 p.m.